

VIETNAMESE ARMY CLASH WITH "REBELS"

- I. 8 March press reports from Saigon state that fighting has broken out between Government forces and "rebel auxiliary troops" in Annam's Quang Tri province, in the north, near 17th Parallel truce line.
  - A. Diem Government said to have sent seven crack battalions, supported by armor and artillery, to put down uprising.
- II. No apparent connection between this clash in north and chronic friction in south between Diem and Sects around Saigon. Instead, incident appears connected with Diem's dispute of last year with then Chief of Staff Hinh.
  - A. Three weeks ago, a Vietnamese army major--commander of 610th Battalion and pro-Hinh in sentiment--deserted his post at Faifo (near scene of reported clash), taking some troops with him.

B. Vietnamese Army units on pacification

duty in the area were ordered to capture the Major and his deserters.

C. Army commander in area is violently anti-Hinh and pro-Diem.

D. Appears likely that press reports mean anti-Hinh commander has caught up with pro-Hinh deserters.

III. Fact-scanty picture further complicated by presence in Quang Tri of guerrilla group allegedly controlled by Dai Viet party (nationalistic group, once strong in Tonkin and not represented in Diem's regime).

A. Although Dai Viet party has not previously turned to arms, group in Quang Tri reportedly totals 2,000 effectives, 4,000 partly-trained reservists, who have discovered Viet Minh weapon caches.

B. Possible connection between "Dai Viet maquis" and pro-Hinh deserters is report that, on 4 Feb, the 610th battalion was disarmed and dispersed on grounds it aiding "maquis."

IV. Current clash should not affect stability of ~~Dien~~ regime for present. However, need to suppress "rebel" group in north would be drain on Diem's limited resources at time when he faces emergent, possibly united dissidence on part southern Sects.